

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2005-191-E - ORDER NO. 2007-752  
OCTOBER 24, 2007

IN RE: Generic Proceeding to Explore a     ) ORDER DENYING  
Formal Request for Proposal for     ) PETITION FOR  
Utilities That are Considering     ) RECONSIDERATION  
Alternatives for Adding Generating     )  
Capacity     )

This matter comes before the Public Service Commission of South Carolina (“Commission”) on a petition from South Carolina Electric & Gas Company (“SCE&G”) to reconsider certain aspects of Order No. 2007-626 (dated September 13, 2007). This Order requires electric utilities to issue a Request for Proposal (“RFP”) when seeking new peaking generation capacity and sets broad guidelines to be followed for these RFPs. SCE&G specifically opposes mandatory RFPs because it believes this requirement will limit the flexibility and discretion necessary for making timely decisions for adding capacity, will cause a potentially hindering reliance on third party generators, and will impose burdens on the generation procurement process. Instead of a mandatory RFP process for new peaking generation capacity, SCE&G suggests nonbinding guidelines.

SCE&G’s petition is denied. As stated in Order No. 2007-626, the Commission concluded that a benefit does exist in testing the market for available generation as an additional option to a utility self-build proposal, and that requiring electric utilities to issue an RFP only when seeking new peaking generation capacity allows the testing of

competitive generation procurement opportunities without jeopardizing reliability or cost. The Commission is interested in doing so in a way that attempts to minimize the concerns expressed by SCE&G in its petition for reconsideration. In fact, Order No. 2007-626 provided for development of a workshop to discuss how best to implement the broad guidelines set out by the Commission regarding the RFP process. At this workshop, all parties may present proposals to address their interests and concerns with the RFP process. Such proposals may include procedures for both flexibility and exemption from RFP requirements when appropriate.

This Order shall remain in full force and effect until further order of the Commission.


BY ORDER OF THE COMMISSION:



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G. O'Neal Hamilton, Chairman

ATTEST:



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C. Robert Moseley, Vice Chairman

(SEAL)